

# Mental Health Parity Program Report

August 21, 2008

# Summary of Mental Health Benefits Prior to 7/1/2006

## ■ Generally:

- 200 Hours of Mental Health and/or Substance Abuse treatment per year.
- \$150 per person and \$300 per family annual deductible.
- Co Pays of \$15 to \$25 per billable hour (Depending on in or out of Network)

# Expanded Benefits Provided by HB 615

- Diagnoses of “Serious Mental Illness” are now treated the same as any other illness.
  - Specifically Defined Diagnoses are:
    1. Schizophrenia
    2. Paranoia
    3. Bipolar disorders (mixed, manic, and depressive)
    4. Major depressive disorders
    5. Schizoaffective disorders (bipolar or depressive)
    6. Panic disorders;
    7. Obsessive-compulsive disorders
  - In addition, children with Serious Emotional Disturbance conditions are covered.

# Non Serious Mental Illness and Substance Abuse

- Non SMI diagnoses continue to be limited to 8 inpatient and/or 30 outpatient visits per year.
- Substance Abuse was not included in HB 615 and is limited to 8 inpatient days and/or 30 outpatient visits.

# Plan Membership

<b>Fiscal Year</b>	<b>Active Employees</b>	<b>Dependents</b>	<b>Total Members</b>
2004-05	18,294	22,745	41,039
2005-06	18,364	23,282	41,646
2006-07	19,027	24,212	43,240
2007-08	19,330	25,022	44,352
<b><i>Average Growth</i></b>	<b><i>1.9%</i></b>	<b><i>3.2%</i></b>	<b><i>2.6%</i></b>

# Aggregate Medical Costs for Active Employees and Dependents

<b>Fiscal Year</b>	<b>Costs Excluding Mental Health</b>	<b>Costs Including Mental Health</b>
2004-05	\$ 72,721,197	\$ 73,538,458
2005-06	\$ 84,210,416	\$ 84,950,865
2006-07	\$ 96,924,930	\$ 98,664,091
2007-08	\$ 100,580,374	\$ 102,673,582
<b><i>Average Growth</i></b>	11.4%	11.8%

# Active Employee and Dependent Medical Costs Excluding Mental Health

<b>Fiscal Year</b>	<b>Medical Cost Without Mental Health</b>	<b>Prescription Drugs</b>	<b>Total Cost</b>
2004-05	\$ 72,721,197	\$ 25,940,588	\$ 98,661,785
2005-06	\$ 84,210,416	\$ 28,477,063	\$ 112,687,479
2006-07	\$ 96,924,930	\$ 32,006,161	\$ 128,931,091
2007-08	\$ 100,580,374	\$ 34,273,145	\$ 134,853,519
<b>Average Growth</b>	<b>11.4%</b>	<b>9.7%</b>	<b>11.0%</b>

# Active Employee and Dependent Medical Costs Including Mental Health

Fiscal Year	Medical + Rx	Mental Health Costs	Costs Including Mental Health	Mental Health As % of Total
2004-05	\$ 98,661,785	\$ 817,261	\$ 99,479,046	0.82%
2005-06	\$ 112,687,479	\$ 740,449	\$ 113,427,928	0.65%
2006-07	\$ 128,931,091	\$ 1,739,161	\$ 130,670,252	1.33%
2007-08	\$ 134,853,519	\$ 2,093,208	\$ 136,946,727	<b>1.53%</b>
<b>Average Growth</b>	<b>11.0%</b>		<b>11.2%</b>	



# Aggregate Medical, Rx Costs & Mental Health Costs for Active Employees and Dependents, Per Member Per Month

Fiscal Year	Costs Excluding Mental Health	Mental Health Cost	Total Costs
2004-05	\$ 200.34	\$ 1.66	\$ 202.00
2005-06	\$ 225.49	\$ 1.48	\$ 226.97
2006-07	\$ 248.48	\$ 3.35	\$ 251.83
2007-08	\$ 253.38	\$ 3.89	\$ 257.27
<b>Average Growth</b>	<b>8.1%</b>		<b>8.4%</b>

# Utilization

## Fiscal Year 2007-08 Mental Health Services

	Number of Patients	Cost Per Patient	Total Cost
Inpatient	156	\$ 4,578.32	714,764
Outpatient	2,564	\$ 475.14	1,218,259
<b>MH Services</b>	<b>2,720</b>	<b>\$ 710.47</b>	<b>1,933,024</b>

## Fiscal Year 2007-08 Substance Abuse

	Number of Patients	Cost Per Patient	Total Cost
Inpatient	33	\$ 2,828.89	92,846
Outpatient	163	\$ 413.34	67,464
<b>Substance Abuse</b>	<b>196</b>	<b>\$817.75</b>	<b>160,310</b>

**Total Mental Health and Substance Abuse** **\$ 2,093,333**

# Preliminary Conclusions

- This program has been well managed by Blue Cross of Idaho and Business Psychology Associates.
- Their combined “Gate Keeping” and claims management processes have made the plan accessible to those who are properly diagnosed while making sure that only reasonable and necessary care is given.
- Overall costs, at 1.5% of total medical costs for FY 2008, are below the 1.8% projected when HB 615 was proposed.

Questions or Comments